

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 20507
[Redacted],	)	
	)	DECISION
Petitioner.	)	
_____	)	

On June 29, 2007, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers) proposing income tax, penalty, and interest for taxable years 2003 through 2005 in the total amount of \$11,610.

The taxpayers filed a timely appeal. They did not request a hearing. The Tax Commission has reviewed the file and hereby issues its decision based upon the information contained in the file.

Because Tax Commission records showed the taxpayers met the state income tax filing requirements and had not filed their Idaho returns for 2003 through 2005, the Bureau attempted to contact them for clarification. The taxpayers did not respond.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

**63-3045. Notice of redetermination or deficiency -- Interest.** (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in

writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau determined the taxpayers had an income tax deficiency for tax years 2003 through 2005 because they had not filed their Idaho returns. The Bureau prepared a Notice of Deficiency Determination advising the taxpayers of the determination of tax, penalty, and interest and sent it to their last known address. The taxpayers protested the determination in a letter dated August 28, 2007. They asked for additional time to have the returns prepared.

The Bureau sent the taxpayers a letter acknowledging their protest. They were allowed additional time. However, when the promised returns did not arrive, the taxpayers' file was transferred to the Legal/Tax Policy Division for administrative review. They did not respond to a letter advising them of their appeal rights.

The Bureau computed the taxpayers' Idaho income tax responsibility using the same filing status of married filing jointly with two exemptions as shown in [Redacted]. No withholding was identified. The interest and penalty added by the Bureau pursuant to Idaho Code §§ 63-3045 and 63-3046 was reviewed and found to be proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated June 29, 2007, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that [Redacted] pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2003	\$ 497	\$ 124	\$ 121	\$ 742
2004	141	35	26	202
2005	7,976	1,994	991	<u>10,961</u>
			TOTAL DUE	<u>\$11,905</u>

Interest is computed through March 1, 2008.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioners' right to appeal this decision is enclosed with this decision.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

### **CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_, 2008, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]

Receipt No.